First Annual Report

to the

British Columbia Legislature

1990 – 1991

B.C. HAZARDOUS WASTE MANAGEMENT
CORPORATION

91-06945/

BRITISH COLUMBIA HAZARDOUS WASTE MANAGEMENT CORPORATION

ANNUAL REPORT 1990-91

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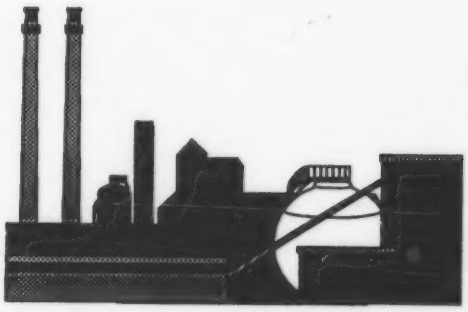
INTRODUCTION

This document comprises the first Annual Report of the British Columbia Hazardous Waste Management Corporation. Official Corporation activities commenced in September, 1990, and this document describes those activities and the finances of the Corporation for the seven month period from September 1990 to March 31, 1991.



MANDATE

The British Columbia Hazardous Waste Management Corporation Act was passed by British Columbia's Legislature on June 14, 1990.

The Corporation's principal purpose, as described in Section 3 of the Act, is as follows:

> *The purpose of the Corporation is to ensure the development, implementation and maintenance of a comprehensive hazardous waste management system in British Columbia.*

Within this mandate, the primary goal of the Corporation is to find sites acceptable to the public for the handling of hazardous wastes.

The Act establishing the Corporation includes a "sunset" clause in which the enabling legislation expires in 1995. If the Corporation is successful in its objective of ensuring that a comprehensive hazardous waste management system is in place in British Columbia within five years, there will be no need for it to continue to exist beyond 1995.

Guiding Principles

The activities of the Corporation are shaped by several underlying principles:

- **Community Development**
  The role of the Corporation is to act as a catalyst to the development of hazardous waste facilities in the community, not to provide direct services except on a pilot or demonstration basis.
- **Consultation**
  The Corporation will continue to seek consensus on all plans which affect local communities.
- **Partnerships**
  The Corporation will continue to build partnerships with government, business and public institutions.
- **The "4 R's"**
  The Corporation will continue to promote reduction, recycling, reuse, and recovery of hazardous waste as a means of decreasing the amount of residual waste needing treatment or disposal.
- **Sustainable Development**
  The Corporation will continue to support environmentally sound, economically beneficial development. These activities must protect public health and meet all applicable environmental standards.

DEFINITION

Hazardous wastes consist of discarded solid or liquid materials, or containers holding gasses, which may harm human beings or the environment unless given special handling or treatment. They include many materials and products which are regularly discarded from businesses and homes, including oils, pesticides, laboratory chemicals and household cleaning solvents.

MEETING THE CHALLENGE

Hazardous wastes are inevitable in modern industrial society. Current technology does not enable us to eliminate their production overnight, and even if it did we are still faced with the 400,000 tonnes which we have accumulated in British Columbia. This accumulated waste is sitting in storage sites in many locations around B.C. British Columbians continue to generate an estimated 110,000 tonnes per year.

Most hazardous wastes are generated by large industrial or institutional operations. Much of this is now being reduced at source, with billions of dollars invested in pollution control systems and cleaner manufacturing processes.

Hazardous wastes are also generated by households and small businesses across the province. These "small generators" do not have the resources to build special facilities for storage or treatment, and until recently had few options for safe disposal. Some of this waste has made its way into municipal landfills and municipal sewage systems — and ultimately may end up poisoning the environment. Everyone from environmental groups to the Business Council of British Columbia agrees that this situation is intolerable.

Building a System to Manage Hazardous Wastes

The BC Hazardous Waste Management Corporation was created in 1990 to provide province-wide leadership in developing a system for collecting, transporting, storing and treating hazardous waste within British Columbia. In the past there has been no such system. This must change.

When the Corporation's mandate expires in 1995 British Columbia will possess a province-wide comprehensive hazardous waste management system. This system will serve everyone from householders to major industrial operations.

One end of this system will collect and clean up hazardous wastes. This will take place in local communities and be carried out by municipal governments or by regulated private sector operations working under contract to government and industry. Whenever possible this will involve reducing hazardous waste at source or recycling, reusing, and recovering the hazardous components.

When this is not possible the hazardous material must be moved to the other end of the system for treatment or, as a last resort, storage until practical treatment technologies are developed.

A system to cleanup, collect, and manage hazardous wastes in British Columbia is the vision underlying all activity at the BC Hazardous Waste Management Corporation.

Building Consensus

The Corporation will only achieve its vision by mobilizing existing resources and institutions. Government cannot solve the problem by itself – all sectors of society need to get involved. Industry, local government, small businesses, public institutions and the general public first need to become more aware of the magnitude of the problem, and then become directly involved in solving it. The Corporation is acting as a catalyst to this process.

In its first year of operations the Corporation initiated high level contacts with local government and business leaders which it will build on during its second year. Corporation officials and community leaders need to agree on a process for making decisions on collection services and facility sites. These steps will be followed as the Corporation works towards its priority objectives:

- Establish a facility for the management of Pacific Place soils as required;
- Establish a facility for storage and treatment of PCB's currently stored in public institutions such as schools, hospitals, colleges and universities; and on industrial sites;
- Establish central facilities to treat and dispose of wastes collected in a province-wide hazardous waste collection system.

THE CORPORATION'S FIRST YEAR

First year startup activities were complemented by several successes during the Corporation's first term of operation. These successes included:

- Worked with a private paint manufacturer to initiate a major paint recycling project;
- Established with regional districts and municipalities the use of permanent collection depots for household hazardous waste collection programs;
- Initiated, on behalf of the province, evaluation of technologies for the remediation of Pacific Place soils;
- Compiled a comprehensive province-wide inventory of PCB's;
- Contracted with BC Research to investigate the feasibility of treatment of the antisapstain chemical NP-1;
- Developed numerous links with industry and the business community;
- Established a public information program.

1990 - 1991 Activity Highlights

1990 marked the start of operations for the B.C. Hazardous Waste Management Corporation. Beginning with a small team put together by the Ministry of Environment in February, the *Hazardous Waste Management Corporation Act* was passed in the Legislature in June, 1990. A Board of Directors and Chief Executive Officer were appointed by Order in Council on August 1, 1990, and the Corporation came officially into existence with the first Board of Directors meeting. In this report, September 1 is used as the first day on which the Corporation was officially open for business.

Board of Directors

The Board met four times during this start up period. Decisions included passing of the Corporate by-laws, policy decision making, and budget review.

Public Involvement Activities

During the first four months of operation, Corporation staff responded to approximately 3000 requests for information on hazardous wastes. Calls were received mainly from the general public and small businesses.

A Hazardous Waste Sticker suitable for use in homes was prepared and distributed widely, as were several other information brochures describing the Corporation and its activities.

The Corporation was well represented at the UBCM Convention in Vancouver in

September, 1990, where Corporation staff provided information on household hazardous waste collection and alternatives.

Senior staff of the Corporation organized and attended editorial boards in major centres across the province.

Staff fulfilled approximately 30 public speaking engagements across the province, as well as giving associated radio, TV, and newspaper interviews.

Pacific Place Soil Remediation

The Corporation is under contract to the Ministry of Environment, and acts as the provincial government's agent to ensure that the soils found in Pacific Place are safely remediated wherever this is necessary.

All proposals for treatment of Pacific Place soils were evaluated by the Corporation, and a short list of eight bidders was finalized. The proposed treatment technologies will be further evaluated by treatment of typical samples of soils to determine the effectiveness of the methods in each case.

PCB's

Compiled a comprehensive inventory of PCB's in schools, health care facilities and food processing operations in the province. This is part of the Corporation's plan for developing a management system for PCB's stored in schools and hospitals.

Prepared a business case model which would allow for consolidation and safe storage of both institutional and private sector PCB's in British Columbia. In addition, staff determined levels of cost recovery and began discussions with the private sector on this opportunity.

Bioremediation of Anti-Sapstain Chemical NP1

Contracted with B.C. Research to develop a biological treatment method to attack the principal constituents of NP1 (a wood preservative), to allow disposal of this chemical by conventional means. If successful, this will provide a business opportunity to the private sector in the establishment and operation of a specific treatment facility for these wastes.

Partnership With Industry

Analyzed and recommended on seven proposals from various firms for hazardous waste management ventures. Developed strong links within the environmental and other related industries as a partner in the establishment of an effective hazardous waste management system for B.C. Participated in the Market Discovery trade show in October, 1990.

Paint Recycling

Twelve thousand litres of paint were collected from householders at the Capital Regional District Household Hazardous Waste Collection in September, 1990. These were sorted and bulked by the Corporation, and processed by a local paint manufacturer into recycled top quality paint. Cans of recycled paint are now on the shelf available for sale. This pilot project was the first in Canada to produce consumer grade recycled paints, and has now proved the viability of consumer paint recycling. The Corporation is working with the B.C. Paint Manufacturers Association to expand this capability across the province.

Household Hazardous Waste Collection Programs

Meetings with the waste management staff of almost all municipalities and regional districts in the province have led to plans for partnership between the Corporation and local governments to ensure an optimum network of household hazardous waste collection facilities. Municipal response has been overwhelmingly enthusiastic. An on-going working committee has been established with the Union of British Columbia Municipalities to ensure that municipalities are close participants in the implementation of collection systems.

FINANCIAL STATEMENTS

BRITISH COLUMBIA
HAZARDOUS WASTE MANAGEMENT CORPORATION

AUDITORS' REPORT

To the **Board of Directors**
Lieutenant Governor in Council, Province of British Columbia
Minister of Environment, Province of British Columbia

We have audited the balance sheet of **British Columbia Hazardous Waste Management Corporation** as at March 31, 1991 and the statements of operations and retained excess of revenues over expenses and changes in financial position for the eight months then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles

Ernst & Young

Vancouver, Canada,
May 24, 1991.

Chartered Accountants

British Columbia Hazardous Waste Management Corporation

BALANCE SHEET

As at March 31, 1991

	$
ASSETS	
Current	
Cash	811,639
Sustainable Environment Fund grant receivable	295,845
Other receivables	37,930
Prepaid expenses	10,562
	1,155,976
Fixed assets *[note 3]*	441,156
	1,597,132
LIABILITIES AND RETAINED EXCESS OF REVENUES OVER EXPENSES	
Current	
Accounts payable and accrued liabilities	462,326
Retained excess of revenues over expenses	1,134,806
	1,597,132

See accompanying notes

On behalf of the Board:

Director

Director

British Columbia Hazardous Waste Management Corporation

STATEMENT OF OPERATIONS

For the eight months ended March 31, 1991

	$
REVENUES	
Sustainable Environment Fund grant	3,688,000
Interest income	36,886
	3,724,886
EXPENSES	
Professional services	881,911
Community relations	629,925
Salaries and benefits	341,459
Building occupancy	262,243
Information systems	113,548
Depreciation	92,498
Office	92,218
Travel	86,747
Directors' fees and expenses	71,407
Training	11,404
Other	6,720
	2,590,080
Excess of revenues over expenses	1,134,806

STATEMENT OF RETAINED EXCESS OF REVENUES OVER EXPENSES

For the eight months ended March 31, 1991

	$
Retained excess of revenues over expenses, beginning of period	Nil
Excess of revenues over expenses	1,134,806
Retained excess of revenues over expenses, end of period	1,134,806

See accompanying notes

British Columbia Hazardous Waste Management Corporation

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the eight months ended March 31, 1991

	$
OPERATING ACTIVITIES	
Excess of revenues over expenses	1,134,806
Adjustment for item not involving a flow of cash	
Depreciation	92,498
Change in non-cash working capital balances related to operations	117,989
Cash provided by operating activities	1,345,293
INVESTING ACTIVITIES	
Purchase of fixed assets	(533,654)
Cash used in investing activities	(533,654)
Increase in cash and cash, end of period	811,639

See accompanying notes

British Columbia Hazardous Waste Management Corporation

NOTES TO FINANCIAL STATEMENTS

March 31, 1991

1. AUTHORITY

British Columbia Hazardous Waste Management Corporation is established under the Hazardous Waste Management Corporation Act (the Act). The principle role of the Corporation is the development, implementation and maintenance of a comprehensive hazardous waste management system in British Columbia through partnership with industry, business and local government.

The Act has limited the lifespan of the Corporation to 5 years. The Corporation commenced operations on August 1, 1990.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As prescribed by Section 12(7) of the Act, the financial statements of the Corporation are prepared according to generally accepted accounting principles.

Grant funding

Grant funding is received from the Province of British Columbia through the Sustainable Environment Fund administered by the Ministry of Environment.

Fixed assets

Fixed assets are recorded at cost with depreciation provided on the straight line basis as follows:

Computer equipment	3 years
Furniture and equipment	5 years
Leasehold improvements	5 years

Corporate income taxes

The Corporation is exempt from Federal and Provincial income taxes.

NOTES TO FINANCIAL STATEMENTS

March 31, 1991

3. FIXED ASSETS

	$
Computer equipment	240,123
Furniture and equipment	197,753
Leasehold improvements	95,778
	533,654
Less accumulated depreciation	92,498
	441,156

4. COMMITMENTS

The Corporation leases three properties, all of which are under operating leases, expiring at dates up to the end of the life of the Corporation. The Corporation also leases various office equipment and automobiles under operating leases expiring at dates up to 1994. The minimum lease payments due over the next five years are as follows:

	$
1992	249,000
1993	237,000
1994	208,000
1995	149,000
	843,000

5. RELATED PARTY TRANSACTIONS

Grant funding is received from the Province of British Columbia through the Sustainable Environment Fund administered by the Ministry of Environment.

The Corporation engages in transactions with other government agencies, departments and Crown Corporations on normal intra-government terms.

6. PENSION PLAN

The Pension (Public Service) Act applies to the Corporation and some of its officers and employees. Accordingly, the Corporation is required to pay into the Public Service Superannuation Fund amounts prescribed from time to time by Regulation.